

# INDUSTRY CIRCULAR

OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE  
ALCOHOL AND TOBACCO TAX DIVISION



WASHINGTON 25, D. C.

Industry Circular No. 60-17

May 25, 1960

## Status of Forms Under 26 CFR Part 201

Proprietors of distilled spirits plants  
and others concerned:

Purpose. This circular is designed to advise you of the forms which will be used by proprietors of distilled spirits plants beginning July 1, 1960, under the provisions of the new, complete, 26 CFR Part 201.

Status of Forms. Part 201, to be effective July 1, 1960, welds together the unified distilled spirits plant as embodied in Public Law 85-859. Consequently, many forms now used by you will become discontinued (see Schedule "A", list of discontinued forms), particularly where existing regulations require different forms for similar transactions (e.g., taxpayments, transfers in bond). The discontinued form, in some instances, will be replaced in part or in whole by a revised form (see Schedule "B", list of revised forms), or by a new form (see Schedule "C", list of new forms). Other forms, listed in Schedule "D", will be continued in use without revision. The attached schedules "B", "C", and "D" do not list all forms you may need to use (for example, export procedures and forms will be found in 26 CFR Part 252); the schedules list only those forms prescribed by Part 201.

Wherever an existing form has been revised or has been replaced by a new form, the revision of the existing form, or the new form, must be used beginning July 1, 1960; however, existing forms initiated before July 1, 1960, should be processed to completion, even though the completion date is on or after July 1, 1960.

Explanation of Revised and New Forms. In revising existing forms, and in devising new forms, we have endeavored to make each form self-sustaining. For example, where it was possible to make a transaction form also serve as a gauge form, thereby eliminating an accompanying gauge report form, we have done so; further, where it was possible to make a transaction form also serve as an application, we have done so. The standardization under Part 201 of similar operations not only has applied new or expanded uses to existing forms, but also has required new forms to be devised. Some of the forms which will be most frequently used are discussed below.

(a) Form 122 - Bottlers Dump and Batch Record. The new Form 122 is a dual purpose form. It is to be used as a record of spirits or wines dumped for rectification or bottling, and as a batch record of spirits or wines rectified. This form must be used as a dump record to record all products dumped for rectification or bottling. Proprietors, subject to the approval of the assistant regional commissioner, may use another form of record in lieu of Form 122 to record batches of rectified products; however, Form 122 (for submission to the assistant regional commissioner) shall be prepared in addition to the approved substitute record when spirits or wines are to be rectified and bottled or packaged especially for export with benefit of drawback.

Item 3 of Form 122 requires the proprietor to show the "trade name", if any, under which the product is to be rectified. The use of the singular form "trade name" does not prevent the entry, in item 3, of more than one trade name if the proprietor elects to rectify the batch under several trade names simultaneously. A more complete explanation of the manner of using Form 122 will be found in section 201.432.

Caution. Proprietors who, under present regulations, dump and bottle spirits pursuant to Form 230 are reminded that under Part 201 their dumping operations must be pursuant to Form 122.

(b) Form 179 - Withdrawal of Spirits Taxpaid. Form 179 is an example, under Part 201, of consolidating into one form, several forms (Forms 179, 1440, and 1519) used under present regulations for the same purpose, tax determination. Form 179 will be used whenever spirits are withdrawn from bonded premises on determination of tax. In addition, the separate application, Form 2608, now filed by bottlers for the withdrawal of spirits for rectification or bottling will be discontinued, since the applicable procedures are incorporated in Form 179. Further, the separate report of spirits gauged, Form 1520, now required for bulk taxpayment gauge under 26 CFR Parts 220, 221 and 225 will be discontinued, since the applicable procedures are incorporated in Form 179. However, an accompanying Form 2630 (in lieu of the Form 1520) describing packages must be prepared when tax determined bulk spirits are to be withdrawn in packages, or if the gauge for tax determination is to be made in packages.

Special Note. When tax determined spirits are withdrawn for rectification or bottling on bottling premises of the same plant, the statement of bond coverage on Form 179 is not required to be made until after tax determination. Also, when tax determined spirits are withdrawn by a remote bottler, the amount chargeable against his bond may be in an amount less than the tax on the original tax gallons shown in Part B of the Form 179, but the amount charged against the bond must be sufficient to cover the determined amount of tax.

(c) Form 236 - Transfer of Spirits or Denatured Spirits in Bond. Form 236 is another example of prescribing one form for similar procedures. Under existing regulations spirits of 190 degrees or more of proof for industrial use and denatured spirits are transferred in bond on Form 1440 or Form 1473, as applicable, but only under an approved application on Form 2609. Also, other spirits are transferred in bond on Form 236 pursuant to approval of the application, on such form, to receive the spirits. New Form 236 will, in each instance, be prepared by the consignor to cover the transfer in bond of all spirits and/or denatured spirits, but only on receipt of an approved application on Form 2609, initiated by the consignee.

(d) Form 257 - Withdrawal of Wine Spirits to Bonded Wine Cellar. This form has been revised to simplify its preparation, filing, and handling. Form 257 will continue to be initiated by the consignee for the withdrawal of wine spirits to his bonded wine cellar. The wine spirits may be withdrawn from bond only on receipt of the approved Form 257; and each withdrawal will be made on Form 2629, Gauge Report. No additional forms are required for transfers by pipeline, or bulk conveyance, but where cases or packages are to be withdrawn Form 1620 (listing cases) or Form 2630 (describing packages), as applicable, shall also be prepared and shall accompany Form 2629.

(e) Form 1515 - Distilled Spirits Bottled in Bond. The proprietor is now responsible for gauging spirits entered for bottling in bond and preparing the bottling record, both of which, under 26 CFR Part 225, are performed by the assigned officer. Form 1515 has been revised to reflect these changes. Also, this form, when appropriately modified, will be used to record the bottling of alcohol on bonded premises, and the rebottling and restamping of bottled spirits returned to bond.

(f) Form 2629 - Gauge Report. Form 2629 will be used to record the production gauge and entry for deposit of spirits in bonded storage on the same plant premises, to record the gauge of wine spirits withdrawn pursuant to Form 257 (as indicated in paragraph (d)), and to record other required gauges where no transaction form (e.g., Forms 179, 236, 2323) is prescribed by regulations. Where spirits in packages are entered for deposit on the same plant premises, a Form 2630 describing the packages will always accompany the Form 2629.

(g) Form 2630 - Package Gauge Report. This is a new gauge form, replacing, in part, Forms 1440, 1520, and 1619, and will be used to record package gauges either on bonded or bottling premises. Form 2630 will never be used alone; it must always support a transaction form (e.g., Forms 179, 236, 2629, 2637).

(h) Form 2633 - Withdrawal of Spirits Free of Tax. This is a new form which will be used by proprietors as an application to withdraw spirits from bonded premises free of tax pursuant to approved permit; the notice of shipment of such spirits will be made on new Form 1473 in lieu of Form 1453.

(i) Form 2635 - Claim - Alcohol and Tobacco Tax. This is a new claim form which will be used in lieu of the letterhead claims required under existing regulations for remission of tax or for credit of tax. This form will not be used, however, to claim credit for tax on samples of taxpaid spirits taken by internal revenue officers under section 201.83. The assistant regional commissioner will allow (section 201.77) credit, without claim, for tax on such samples. (The proprietor may not take such credit in a tax return until he has received notice from the assistant regional commissioner that the credit has been allowed.)

(j) Form 2637 - Bottling Tank Report. This is a new form which replaces Form 230 (in part) and Form 237. Rectifiers will report on this form the gauge of each batch of rectified products and the determination of tax thereon, if any, under sections 5021, 5022, and 5041, I.R.C. If no tax is due, this fact must be stated on the form. If tax is due, the certificate of gauge and tax determination will be executed and one copy of the form forwarded to the assistant regional commissioner immediately on tax determination. Where Form 2637 covers the bottling of spirits or wines, without rectification, the bottler will report thereon the bottling tank gauge and execute the certificate of gauge. Whenever the Form 2637 covers products bottled or packaged especially for export with benefit of drawback, all copies of the form will be appropriately identified; one additional copy of such form will be prepared and submitted to the assistant regional commissioner. Bottlers who, on June 30, 1960, are using Form 230 to report the dumping and straight bottling of spirits or wines, will, on and after July 1, 1960, report the dumping of spirits or wines on Form 122 (see paragraph (a)) and will report the bottling tank gauge and the cases filled on Form 2637.

Form 206 - Withdrawal of Spirits, Specially Denatured Spirits, or Wines for Exportation. At the time the proprietor executes his "report of inspection and tax liability" it will be necessary for him to state, in a conspicuous location on the form whether the withdrawal is being made from the distillery or from the bonded warehouse; and, if spirits

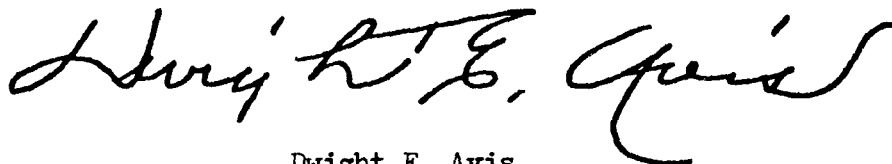
are to be withdrawn from the distillery, that the withdrawal is made pursuant to production gauge and entry. These statements should, as applicable, be as follows:

- (a) for spirits - "withdrawn from distillery pursuant to production gauge and entry" or "withdrawn from bonded warehouse"; and
- (b) for specially denatured spirits - "withdrawn from distillery" or "withdrawn from bonded warehouse."

This material will be incorporated in the next revision of the form.

Forms Procured at User's Expense. Proprietors are required by section 201.613 to furnish Forms 122, 338, and 2637, at their own expense. If your operations require the use of these forms, it is suggested that you contact your commercial printer regarding them. Sample copies of the forms will be available in the office of your assistant regional commissioner.

Inquiries. Inquiries regarding this circular should refer to its number and be addressed to your assistant regional commissioner, alcohol and tobacco tax.



Dwight E. Avis  
Director, Alcohol and Tobacco Tax Division

Attachments

## Schedule "A"

Discontinued Forms

<u>Form No.</u>	<u>Title</u>	<u>Superseded by Form No.</u>
15	Monthly Report - Fruit Distillery	2730
45 *	Monthly Report - Rectifying Plant	2733
52-C *	Monthly Report - Internal Revenue Bonded Warehouse	2731
52-D *	Monthly Report - Taxpaid Bottling House	2733
52-E *	Monthly Record and Report of Importer or Proprietor of Taxpaid Premises	338
52-F *	Wholesale Liquor Dealer's Record and Report of Purchases and Sales of Warehouse Receipts for Distilled Spirits	None
124	Notice of Suspension of Operations at Distillery or Alcohol Plant	2610
125	Notice of Resumption	2610
230 *	Description and Gauge of Spirits or Wines for Bottling Without Rectification	122 and 2637
237 *	Report of Rectified Spirits and Wines	2637
403	Requisition for Bottle Stamps - Bottle-in-Bond Stamps	428
404	Bottling in Bond Notice	None
575	Monthly Report of Denaturing Bonded Warehouse	2732
576	Notice of Intention to Denature Rum	2634
577	Gauge of Containers of Denatured Rum	1467
597	Notice of Shipment of Denatured Rum	1473
1440	Report of Alcohol Gauged	Various
1442	Proprietor's Report of Operations at IAP	2730

<u>Form No.</u>	<u>Title</u>	<u>Superseded by</u> <u>Form No.</u>
1443-A	Report of Uncoopered Alcohol at Bonded Warehouses	2731
1443-B	Report of Alcohol in Packages at Bonded Warehouses	2731
1466	Daily Report of Denaturation of Alcohol	2636
1468-A	Receipt and Disposition of Alcohol at D.P.	None
1468-B	Denaturants Used at D.P.	None
1468-C	Summary of Denaturants Used at D.P.	None
1468-D	Denatured Alcohol Produced and Disposed of at D.P.	None
1468-E	Summary of Denatured Alcohol	2732
1468-F	Recovered Alcohol Received and Disposed of at D.P.	2732
1519	Taxpayment and Withdrawal of Bottled-in-Bond Spirits	179
1520	Report of Spirits Gauged	Various
1598	Monthly Report - Registered Distillery	2730
1619	Report of Packages Transferred Between Bonded Warehouses	2630
1696	Notice of Alternate Operations	2610
1698	Report of Gauge for Loss of Distilled Spirits in Bond	None
1704	Transfer of Distilled Spirits to IAP, BW, or DP	236
2608	Withdrawal of Spirits for Rectification or Bottling	179

\* Have been provided by user at own expense.

Schedule "B"  
Revised Forms as of July 1960

<u>Form No.</u>	<u>Title</u>
27B-Supplemental	Formula and Process for Rectified Products
122 *	Bottler's Dump and Batch Record
179	Withdrawal of Spirits Taxpaid
236	Transfer of Spirits or Denatured Spirits in Bond
257	Withdrawal of Wine Spirits to Bonded Wine Cellar
332	Statement by Kinds, Seasons, and Years of Production of Spirits in Bonded Warehouses
338 *	Wholesale Liquor Dealer's Monthly Report
428	Requisition for Bottle Strip Stamps
1444	Tax-Free Spirits for Use of United States
1473	Notice of Shipment of Specially Denatured, Tax-Free, or Recovered Spirits
1512	Application for Permit to Procure Samples of Specially Denatured Alcohol
1515	Distilled Spirits Bottled in Bond
1620	Filled Case Report
1621	Summary of Deposits and Withdrawals at Bonded Warehouse
1685	Blending of Rums or Brandies in Bond
2260	Monthly Report of Bottle Strip Stamps
2323	Mingling of Distilled Spirits
2522	Deferred Payment Return Distilled Spirits Tax
2523	Rectifier's Return - Prepayment of Taxes



<u>Form No.</u>	<u>Title</u>
2527	Rectifier's Return - Deferred Taxes
2609	Application for Transfer of Spirits and/or Denatured Spirits in Bond
2610	Change in Plant Status
2613	Bond Covering Deferred Payment of Tax on Spirits Withdrawn by Proprietor of Bonded Premises
2614	Bond Covering Deferred Payment of Tax on Spirits Withdrawn by Proprietor of Bottling Premises
2615	Blanket Withdrawal Bond

\* Is now and will continue to be  
provided by user at own expense

## Schedule "C"

New Forms

<u>Form No.</u>	<u>Title</u>	<u>Replaces</u>
2629	Gauge Report	1440, 1520
2630	Package Gauge Report	1440, 1520, 1619
2632	Daily Report of Withdrawals After Tax Determination	Proprietor's report
2633	Withdrawal of Spirits Free of Tax	1440
2634	Denaturation of Spirits	576
2635	Claim - Alcohol and Tobacco Taxes	Letterhead Applications
2636	Daily Report of Transactions	New
2637 *	Bottling Tank Report	230, 237
2730	Monthly Report of Production Operations	15, 1442, 1598
2731	Monthly Report of Bonded Storage Operations	52-C, 1443-A, 1443-B
2732	Monthly Report of Denaturing Operations	575, 1468, E, F
2733	Monthly Report of Bottling Premises Operations	45, 52-D

\* To be provided by user at own expense.

## Schedule "D"

Continued Without Revision

<u>Form No.</u>	<u>Title</u>
3A	Indemnity Bond
11	Special Tax Return
244	Tank Certificate
843	Claim
1467	Details of Packages Filled with Denatured Spirits
1533	Consent of Surety
1534	Power of Attorney
1577	Destruction of Spirits (Including Denatured Spirits)
1602	Consent
1615	Report of Tax Due on Samples of Distilled Spirits
1617	Indemnity Bond Removal of Property Subject to Lien
1669	Removal and Submission of Samples for Testing
2521	Prepayment Return - Distilled Spirits Tax
2546	Report of Spirits Mingled Under Section 5234(a)(2), I.R.C.
2601	Distilled Spirits Bond
2602	Consent to Additional Conditions on Indemnity Bond, Form 3A
2603	Application for Operating Permit Under 5171(b), I.R.C.
2604	Operating Permit Under Section 5171(b), I.R.C.
2607	Registration of Distilled Spirits Plant
2611	Statement of Losses at Bottling Premises
2612	Taxpaid Spirits Returned to Bonded Premises